

FY 2007 Funding Allocations and Recommendations

The President's Budget for FY 2007 proposes \$1,466 million for the capital investment grant program under Section 5309. A total of \$1331.34 million is recommended for existing or pending Full Funding Grant Agreements (FFGAs), proposed FFGAs, and several other projects. In addition, \$100 million is recommended for the new Small Starts program. Finally, \$34.66 million is recommended for specific ferry projects, statutory funding to support the work of the Denali Commission, and New Starts program management oversight activities.

Existing FFGAs

Sixteen projects have existing FFGAs that commit FTA to request from Congress a specified level of major capital investment funding in a given fiscal year, based on the budget and schedule for the project. The schedule of Federal funding over the span of the FFGA is listed in Attachment 6 of these FFGAs. FTA has reviewed the progress of each of these 16 projects and is requesting \$571.88 million, which is the full amount reflected in Attachment 6 for these projects for FY 2007. Descriptions of each of these projects can be found in Appendix A.

Pending FFGAs

Two projects are currently pending issuance of an FFGA: the Long Island Rail Road East Side Access project in New York, New York, and the North Shore Light Rail Transit (LRT) Connector in Pittsburgh, Pennsylvania. Both projects are rated *Medium*. For these two projects, FTA recommends a total of \$355.00 million in New Starts funding in FY 2007. The funding recommendations for these projects reflect the proposed funding level in the unexecuted FFGAs as currently drafted. Appendix A provides a detailed description of both projects, including their most recent New Starts rating.

New York: New York, Long Island Rail Road East Side Access

The Metropolitan Transportation Authority (MTA) and the Long Island Rail Road (LIRR) propose to construct a new direct 3.5-mile commuter rail extension from LIRR's Main and Port Washington Branch Lines in Long Island and Queens, to Grand Central Terminal (GCT) on Manhattan's East Side. The project includes the construction of a new station in the Sunnyside area of Queens, and new tunnels beneath Sunnyside Yard connecting to the currently unused lower level of the 63rd Street Tunnel beneath the East River. In Manhattan, the project would continue west beneath 63rd Street and towards Park Avenue under the Lexington Avenue subway, turning south beneath the existing MTA-Metro North Railroad tracks under Park Avenue to a new LIRR passenger concourse in the lower level of GCT. At GCT, the project would provide new tracks, platforms, waiting areas, ticket windows, and other services.

The current highway system and East River crossings (bridges and tunnels) to Manhattan from Nassau/Suffolk (and parts of eastern Queens) are at capacity and subject to severe congestion and long delays. Expansion of the highway network is not feasible due to lack of available rights-of-way, high costs, and potentially adverse environmental impacts

in a “severe” non-attainment area for ozone. The LIRR operates at capacity in this area with peak service of 37 trains per hour into its only Manhattan terminal at Penn Station. Nearly half of LIRR’s 106,000 existing daily riders have destinations on Manhattan’s East Side, and currently spend approximately 20 minutes “doubling back” from Penn Station on the island’s West Side. Without the project, future LIRR trains to Penn Station will be severely congested, and are projected to operate at 27 percent over their passenger-carrying capacity. This level of crowding and discomfort would discourage or prevent new riders from using the LIRR to reach Manhattan. By redirecting trains to GCT, this congestion would be relieved and added capacity for Amtrak and New Jersey Transit service would be created at Penn Station.

MTA/LIRR completed a Final Environmental Impact Statement (EIS) in March 2001, and FTA issued an environmental Record of Decision in May 2001. FTA approved the project into final design in February 2002. The project was recommended for an FFGA in the FY 2005 and 2006 President’s Budgets. Execution of the FFGA was delayed because the MTA’s 2005-2009 capital program did not include expected revenues for the project. MTA and State budget officials are currently solidifying financing strategies to implement the project, including the use of recently approved bond revenues. FTA expects to execute an FFGA for the project in FY 2006. Revenue operations for the project are planned to begin in 2012.

SAFETEA-LU Section 3043(b)(20) authorizes the New York Long Island Rail Road East Side Access project for final design and construction. The capital cost of the 3.5-mile East Side Access project is estimated to be \$7,779.3 million, including \$1,474.6 million in finance costs. MTA/LIRR is seeking \$2,632.1 million, or less than 34 percent of total project costs, in New Starts funding. FTA notes that MTA’s New Starts funding request is significantly higher than what has historically been provided by FTA to other major transit capital investment projects, but the New Starts share of 34 percent is significantly lower than most other proposed projects. Through FY 2006, Congress has appropriated \$587.77 million in New Starts funding for this project. FTA recommends \$300.00 million in New Starts funds for this project in FY 2007.

Pennsylvania: Pittsburgh, North Shore Light Rail Transit Connector

The Port Authority of Allegheny County (Port Authority) is proposing to design and construct a light rail transit (LRT) extension that would link the Golden Triangle area of downtown Pittsburgh across the Allegheny River to the rapidly developing North Shore and Strip District areas. The proposed project would be constructed primarily underground, extending 1.2 miles from the existing Gateway LRT station to the North Shore via two bored tunnels below the Allegheny River. This LRT line would continue through the North Shore area as a mix of below-grade and elevated alignments. The project as currently scoped also includes a 0.3-mile spur from the existing Steel Plaza LRT station in downtown Pittsburgh to the David L. Lawrence Convention Center. Four stations would be constructed as part of the total project: a reconfigured and expanded Gateway station to facilitate the tie-in to the existing system; two new stations on the North Shore; and the Convention Center station to be located underground at 11th Street near the Convention Center. Four new light rail vehicles would be procured through the

project. Service would be provided at better than three-minute frequencies during peak periods.

Pittsburgh's North Shore is one of the fastest redeveloping areas in the city. Traffic congestion is prevalent in the area during peak commuter periods, weekends, and before and after events at PNC Park and Heinz Field, which reduces the speed, reliability, and effectiveness of bus transit. Physical barriers created by the Allegheny River and the surrounding terrain prohibit any feasible roadway expansion. The proposed project is designed to improve transit service in the area by providing quick, convenient, and reliable LRT connections between key downtown trip generators. The project is further intended to serve a variety of travel markets, including LRT riders now transferring to buses in the Golden Triangle to continue to the North Shore, commuters using fringe parking on the North Shore to travel to the Golden Triangle, and students of Allegheny County Community College located on the North Shore.

The Port Authority completed a Final EIS in April 2002; FTA issued the NEPA Record of Decision in July 2002 and approved the project's entry into final design in April 2003. The project was recommended for an FFGA in the President's FY 2006 Budget; congressional review of the agreement and attendant documents was completed in July 2005. Due to increases in project costs, the Port Authority is developing a revised project scope within the original FFGA baseline cost estimate for FTA consideration. FTA expects to execute an FFGA for the Pittsburgh North Shore LRT Connector project in FY 2006. Revenue operations are planned to begin in 2011.

SAFETEA-LU Section 3043(b)(26) authorizes the Pittsburgh North Shore Connector project for final design and construction. The capital cost estimate for the North Shore LRT Connector project is estimated to be \$393.0 million, of which the Port Authority is seeking \$217.7 million, or 55 percent, in New Starts funding. Through FY 2006, Congress has appropriated \$148.89 million in New Starts funding for this project. FTA recommends \$55.00 million in New Starts funds for this project in FY 2007.